

CHAPTER 5

CHINA'S MEDIA AND INFORMATION CONTROLS—THE IMPACT IN CHINA AND THE UNITED STATES

“The Commission shall investigate and report on—

“FREEDOM OF EXPRESSION—The implications of restrictions on speech and access to information in the People’s Republic of China for its relations with the United States in the areas of economic and security policy.”

Mao Zedong said that maintaining control over information is as important to ensuring continuation of communist rule as maintaining control over the army.¹ This belief still permeates the government of the People’s Republic of China. The obsession with controlling information is one of the cornerstones of China’s internal security strategy. In practice, it seeks to suppress public awareness of endemic corruption, income inequality, growing social instability, democratic ideals that are emerging in some places despite the Chinese Communist Party’s (CCP) efforts to extinguish them, and human rights violations committed by the government. Beijing hides these issues and substitutes messages that attempt to repress dissent and maintain control.

The Chinese government accomplishes this through a carefully crafted system whereby it owns and controls many of China’s media outlets, and oversees the content delivered by the remaining media outlets in China. Under the direction of the Politburo and the government’s Central Propaganda Department (CPD), China’s journalists and editors at every media level are instructed to avoid issues deemed “sensitive” by Chinese leaders, and instead are encouraged to paint positive pictures of life in China. Additionally, those foreign publications and websites that are permitted access to the Chinese market must avoid topics the Party has forbidden.² Special filters are used to block Internet messages containing “undesirable” information and to keep Chinese users away from “unhealthy” foreign websites such as *The New York Times*, Human Rights Watch, and this Commission’s website. Tens of thousands of “Internet police” monitor user activities and online content within China.

These controls foster self-censorship among media professionals and Internet users throughout China. The government punishes journalists and bloggers who publish materials that violate Beijing’s often ill-defined standards. The lack of clear rules combined

with harsh punishments for violations often has the desired effect of prompting journalists and individuals to steer clear of any potential trouble.³ An anonymous Chinese journalist recently said in reference to his plans to write about the 2008 Olympic Games in Beijing, “If something really bad happens and if I get into some [political] power struggle [via my reporting] without knowing it and they need a scapegoat, I could be it.”⁴ Beijing’s capacity to instill fear and apprehension among journalists and Internet users is one effective tool to limit the free and open flow of information within China’s borders.

Beijing’s information controls also directly influence the perspectives and wellbeing of those living in other countries. By suppressing information that Chinese leaders see as politically injurious or threatening to their ability to maintain public order domestically, Beijing is able to influence what news of occurrences in China reaches international media, and thus is able to influence its international image. A general lack of transparency has prevented people and governments around the world from receiving important and time-sensitive information about dangerous food and consumer products and the outbreak of dangerous diseases.

Perception Management in China

Information controls help the CCP perpetuate its political monopoly at the expense of the human rights and political freedoms of the Chinese people.⁵ According to the Committee to Protect Journalists, an independent, nonprofit organization that promotes press freedom and defends the rights of journalists, “Beijing’s media policies under the Hu government are designed to serve two main goals. The first is to maintain the hegemony of the CCP. The second is to control the very real threat of widespread social unrest as the party’s economic and governance policies bring uneven development across the country, and the gap between the wealthy and the poor widens.”⁶

The Chinese constitution affords Chinese citizens both freedom of speech and freedom of the press. However, it also contains language that the state uses to justify restrictions of these freedoms on matters related to “the security, honor, and interests of the motherland.”⁷ Media regulations are left intentionally vague and authorities hold the ability to interpret them at their own discretion. Authorities often arrest reporters and bloggers by citing ambiguous state secrets laws.

China’s controls have influenced the Chinese people’s perceptions of a variety of issues, including national identity; poverty and income inequality; food and product safety; domestic and international affairs; Chinese history; China’s political leadership; Taiwan; and the United States. They also have succeeded in muffling potential political challengers. Controlling the information the populace receives on these subjects allows Beijing considerably greater leeway to take actions and implement policies without having to contend with a negative reaction from China’s people, or at least significantly diminishes any negative reaction it must face.

In recent years, China’s rural-urban income inequality has grown and the rural population has been subjected to a multitude of prob-

lems including pollution, inadequate health care, and abusive labor practices. As a result, riots and demonstrations have increased. Beijing often has suppressed such information. The Committee to Protect Journalists reports that a “policy of enforced silence has come to define the central government’s approach to widespread rural unrest, China’s most salient domestic issue.”⁸

Manipulation of the Chinese public’s perceptions of historical events, national identity, and foreign relations begins during early school years, when schools often teach propaganda in place of factual lessons, according to Ms. He Qinglian, a senior researcher for Human Rights in China. Inculcation of propaganda continues at the university level where only Party-approved textbooks are used to educate China’s future leaders. During a phone interview, Ms. He discussed her own experience as a Chinese professor. She described having to worry constantly about “secret informants” embedded in the student body who report to authorities any deviation from her state-sanctioned lesson plan.⁹

Beijing places restrictions on the foreign media allowed in China and insists that all domestic news sources rely on the state-controlled *Xinhua News Agency* for their international content.¹⁰ Because of this, Beijing is able effectively to portray foreign people and governments in whatever way is most useful to the regime. Propaganda also is used to bolster feelings of xenophobia among the Chinese people by “smearing” some foreigners as troublemakers and enemies. According to Dr. Andrew Nathan of Columbia University, this often is done to engineer a “public mood” that protects the CCP from externally-influenced, so-called “color revolutions” or “flower revolutions” (such as the Orange Revolution in Ukraine and the Tulip Revolution in Kyrgyzstan).¹¹

U.S.-China relations are seriously affected by the CCP’s ability to shape the views of China’s citizens by determining what they see and cannot see in the Chinese media. According to Mr. William Baum, Voice of America’s (VOA) China Branch Chief, “There are very clear efforts to portray the United States as, I don’t want to say an enemy, but as an antagonist, whether it’s over the issue of Taiwan or Tibet or Iraq.”¹² The ultimate outcomes of these smear campaigns have less obvious implications as well as those that are immediately apparent. Scholars have expressed concern that high levels of Chinese nationalism may prevent Beijing from engaging effectively in productive dialogues on important international issues. Mr. Baum explained that the Chinese government is fostering a sentiment that could backfire and force authorities to act in ways that could seriously damage their relationships with foreign countries.¹³

Restrictions on Subjects Deemed ‘Sensitive’

In 2006 the Chinese Communist Party formally endorsed a new political doctrine proposed by China’s President Hu Jintao for the creation of a “Harmonious Society” in China. One aspect of this doctrine is to suppress complaints about the CCP. This new initiative is intended to alleviate growing social tensions in China resulting from rising levels of income inequality and decay of China’s social security system.¹⁴ The programs emanating from the new doc-

trine reinforce China's already-tight controls on information. Reporters Without Borders, an international advocacy group for journalists and media freedom, reports that the PRC government is using the new initiative to reinvigorate its control over information in China.¹⁵

Many had hoped that the PRC government would reverse or at least soften many of these controls in the period preceding and during the 2008 Olympic Games that Beijing is hosting. While the government temporarily has eased the restrictions that foreign journalists will face during this period,¹⁶ the policies do not apply to domestic media. The Council on Foreign Relations warns that "the laws 'will be rescinded if they're seen as jeopardizing the Communist Party's hold on power,' particularly if the openness inspires Chinese journalists to seek greater freedoms themselves."¹⁷

The PRC government currently defines a number of issues as off-limits to media professionals and the online community. These include the Tiananmen massacre, Falun Gong, Taiwan independence, democracy, worker unrest, various human rights issues, and many others. The leadership believes that failure to maintain uniform perspectives among China's people on these core subjects could undermine the CCP's credibility and control.

On most topics it considers sensitive, the CCP effectively has communicated to journalists and Internet users that the only legitimate perspectives are those it approves. However, Beijing also works to control public discourse on a second set of subjects. This second set of issues changes constantly, and is often the product of current events and social developments at the international, national, and local levels. Because of this, it often is difficult for media professionals to know when they are violating the government's restrictions. For example, many Chinese journalists who believed it was acceptable to report on the recent surge of unsafe food and consumer goods in China later received heavy-handed treatment by authorities. During his testimony to the Commission, Mr. Dan Southerland, Vice President of Programming and Executive Editor of Radio Free Asia (RFA), discussed the difficulties these journalists faced, and described how authorities did not tell them that their stories concerning the problems with food and consumer goods were off limits at the time they were written, but later the journalists found themselves in trouble. Keeping tabs on this second set of issues can be a major challenge to Chinese media professionals, and this has contributed to the growth of self-censorship among many journalists.

A clearer picture of this second set of sensitive subjects can be found by reviewing the list of topics the PRC government bans from China's Internet. Mr. Xiao Qiang, an Adjunct Professor at the University of California/Berkeley's School of Journalism, testified before the Commission that lists of the keywords that China-based Internet search engines use to block search results have been acquired by Chinese hackers. According to Mr. Xiao, the lists were dominated by words referencing current affairs. Mr. Xiao elaborated: "What are these words? Yes, they are Falun Gong. Yes, they are Taiwan, Tibet, [and] Tiananmen. [But they are] more than that, most of them are [related to] political and current affairs. ... Most of them are about the 17th Party Congress and high politics

and . . . leaders' names. [Censors] want to make sure there's no uncontrolled information [about these issues] going around on the Internet."¹⁸

The CCP seeks to control the treatment of any subject that potentially could undermine its authority. Several panelists who testified at the Commission's July 31, 2007, hearing on Access to Information in the People's Republic of China testified that China is intensifying rather than weakening these controls as China's economy grows larger. According to Marquette University Professor Barrett McCormick, "In recent years, the control has been further reinforced for fear of losing power. . . . China has now entered into a stage with higher and higher social tension because of rampant corruption of officials and of harder living conditions of the majority of the population. . . . [China's] government sees any criticism or negative news report as a threat to its rule and has tried every method to block dissemination of such information in order to prevent societal collective action."¹⁹

China's Domestic Control of Information

The PRC government has established a group of agencies that work together to manage China's media content. This network oversees every aspect of China's media—from television and radio to newspapers and the Internet—and operates under the explicit direction of the Politburo. This group of agencies is practiced and proficient in its censorship function.²⁰

Journalists are subjected to a number of control mechanisms. Most Chinese reporters are required to participate in mandatory training sessions to indoctrinate them with political propaganda. If they do not attend, their reporting licenses are not renewed. "Propaganda Circulars" prepared by the Central Propaganda Department (CPD) are distributed to all media outlets in China to instruct editors and reporters how to handle developing issues and sensitive topics in their news stories. Dr. Ashley Esarey, a Professor at Middlebury College, testified to the Commission that these circulars previously were distributed to news bureaus by fax but now are being sent anonymously directly to editors' and reporters' cell phones via text message.²¹

Beijing ensures widespread compliance with its media controls by imposing penalties on violators, some of them severe. According to Reporters Without Borders, "at least 31 Chinese journalists were in jail as of 1 January 2007."²² Other punishments include fines, demotion or dismissal, and criminal prosecution for libel. It also has been reported that some journalists have been beaten for their coverage of sensitive issues.²³ Adherence to the government's rules and proscriptions is rewarded with bonuses and promotions. These financial incentives are very important to most journalists as their regular salaries typically are very small. Dr. Esarey reports that "data from interviews suggest [that] bonuses make up roughly 20 percent of [journalists'] total salary."²⁴

In concert, these policies foster a pervasive and effective culture of self-censorship. In every part and at every level of China's information industries, "carrots and sticks" are sufficiently developed to ensure that employees know what issues are not to be touched or

are to be addressed in only certain ways, what the rewards are for complying, and what the punishments are for crossing the line.

At the top of the government's censorship network sits the CCP Chairman, the President, and the Politburo Standing Committee member responsible for media. They jointly lead an institution known as the "Thought Small Working Group."²⁵ According to Dr. Esarey, this group formulates core policies on information control and appoints the head of the Party's CPD²⁶ that is responsible for implementing guidelines established by this working group and is the central organization in China's information control regime.

The General Administration of Press and Publications (GAPP) and the State Administration of Radio, Film, and Television (SARFT) are the two primary censorship bodies subordinate to the CPD. These two institutions ensure that media content is consistent with the guidelines and doctrine approved by the Thought Small Working Group. According to the Council on Foreign Relations, "GAPP licenses publishers, screens written publications (including those on the Internet), and has the ability to ban materials and shut down outlets. SARFT has a similar authority over radio, television, film, and Internet broadcasts."²⁷

Reinforcing these state institutions is a hierarchy of Party members embedded in China's media. These Party members, each beholden to his or her superior, reflect the policies and instructions of SARFT, GAPP, and others in the areas of their responsibility and influence within their own organizations. "The principal mechanism for forcing media organizations to comply with CCP wishes is the vertically organized nomenklatura system of appointees granting the party power to hire and fire party leaders and state officials, including those of the media industry and top media managers,"²⁸ writes Dr. Esarey. This network goes beyond official state institutions and is manifest in many media outlets. Loyal, compliant editors and producers often are promoted to more senior positions, and some move back and forth between GAPP, SARFT, CPD, and state-run media outlets in a Chinese media version of the revolving door.

China's Internet is governed by many of the same institutions as govern the mass media. SARFT and GAPP both have jurisdiction over online content and can venture into cyberspace when appropriate. However, the online environment presents a large and unique challenge to Chinese censors and therefore it is regulated differently.

Physical access to the Internet is managed by China's Ministry of Information Industry (MII). The Open Net Initiative reports that the MII is the main regulator of the telecommunications sector. A small group of Internet access providers, and a routing system that takes all Chinese Internet traffic through three portals,²⁹ give policymakers in Beijing complete control over how data flow into and out of China. This allows the MII to install hardware and software components that block a variety of external information defined as undesirable—or, according to the Beijing government, "unhealthy." This system is known collectively as the "Great Firewall of China."

In addition to keeping specified information out of China's Internet, the state monitors what users say and do while inside Chinese cyberspace. "China's legal control over Internet access and usage is

multilayered and achieved by distributing criminal and financial liability, licensing and registration requirements, and self-monitoring instructions to non-state actors at every stage of access, from the [Internet service provider] (ISP) to the content provider and the end user.”³⁰ This means that every computer user, website, Internet café, and ISP is compelled not only to self-censor, but also to report on the proscribed activities of others and thereby to act as “cybercops” on behalf of the government.

China also employs an unknown number of “Internet Police” at the central and local levels. While some estimates place this force at 30,000 people, Mr. Xiao estimates that the total number is actually higher.³¹ Dr. Esarey and Mr. Xiao both insist that “wherever there’s an Internet connection [in China], there’s Internet police,”³² and that every city in China has a department dedicated to monitoring local online content. For example, Shenzhen, an average sized city by Chinese standards, had 137 Internet police monitoring local online content two years ago. Dr. Esarey explains that, “if you estimate [that] there are 300 large cities in China and [that] there are 100 police per city, that will get you somewhere in the ballpark of ... the estimated figure.”³³ Mr. Xiao further supports his claim by saying: “[If you] search ‘Internet police’ as a Chinese phrase on the Chinese Internet, you’ll get millions of pages. They don’t hide themselves these days.”

Information Controls Protect Privilege

At first glance, the CCP’s policies on information control may seem to serve no purpose other than to preserve its monopoly on power. However, there is another important motive. New actors who have benefited enormously from China’s economic growth over the last several decades now depend on China’s political system to maintain their new-found power and prosperity. This new group has a direct interest in maintaining the stability of China’s “crony capitalism.” The newly wealthy who have depended on the corrupt system now encourage the CCP’s use of information controls to maintain stability of the Party and its system of handing out favors to a select few.

According to VOA’s Mr. Baum, “the rising power class” in China frequently consists of Party members or business people who are connected to the Party in some fashion and rely on the system to prosper. “They’re affluent and they’re well connected, and they’re the ones who are concerned about maintaining stability.”³⁴ Dr. McCormick concurs, saying that “the bad news from China is [that] some of the wealthiest people are some of the most resistant to the idea of democratization.”³⁵ Furthermore, “contemporary China tells us that democracy needs capitalism more than capitalism needs democracy.”³⁶ Mr. Jiao Guobiao, former deputy professor at Beijing University’s Center for Media and Communications Studies,³⁷ included the following statement in the publication *Declaration of the Campaign Against the Central Propaganda Department*:

Based upon the Central Propaganda Department’s ‘Stability above all,’ we ask whose stability overrides all else? Whenever the Central Propaganda Department puts a stop order on a news story, we see that it is the stability of the

*corrupt elements which overrides all else. It is the stability of the people who oppress little people which overrides all else. It is stability of the people who pay off the Central Propaganda Department which overrides all else. It is the stability of the sub-contractor boss who does not pay his workers which overrides all else. It is the stability of the people who forced the poor downtrodden people to travel thousands of miles to file petitions which overrides all else.*³⁸

Panelists testified to the Commission that those feared most by China's elites are neither student idealists nor groups that advocate democracy, but rather the disenfranchised Chinese citizens who are tired of facing economic and political marginalization while the corrupt prosper.³⁹ Beijing focuses considerable attention and resources on managing the perceptions of these disenfranchised groups. Referring to the targeting of these controls, Dr. McCormick claims that "the people [who] get the worst shake in contemporary China are poor people, and those are mainly rural people and people [who] live in Western China."⁴⁰ Ironically, workers, farmers, and China's large rural population—groups that once ushered the Communist Party into power—are now those China perceives it most needs to control.

U.S. Government Efforts to Overcome Controls

For decades the U.S. government has financially supported institutions to fight the kinds of information controls that countries like China employ. The Broadcasting Board of Governors (BBG), a federal agency, is one of the best known and most active of these institutions. Its goal is to broadcast accurate and objective news and information about the United States and the world to audiences overseas. BBG supervises the International Broadcasting Bureau (IBB) and its international broadcasting organizations including Voice of America (VOA), and provides support and services to separate broadcasting organizations including Radio Free Asia (RFA). VOA's Mandarin Language Service and RFA use short-wave radio signals, television signals, and the Internet to reach audiences in China. They transmit in Mandarin, Cantonese, Tibetan, and Uighur. Both organizations have reporters within China, although their number is limited by the Chinese government. Both services have won several international awards for the quality of their broadcasts.

Despite international laws that forbid intentionally interrupting radio frequencies registered with the United Nations' International Telecommunications Union (ITU), including those used by RFA and VOA, the Chinese government regularly jams American broadcasts into China.⁴¹ Chinese censors also obstruct access to these services' Chinese language websites and block their e-mails to millions of recipients throughout China.⁴² Beijing considers the information these organizations provide to the Chinese people a threat to the control regime it has so carefully constructed. In response, it has purchased expensive equipment from abroad to block foreign broadcasts. RFA's Mr. Southerland testified that:

[A]ccording to industry sources, a 2004 Chinese government purchase of 16 more high-powered transmitters from Thales⁴³ ... signaled China's plans to intensify its efforts. These new transmitters cost more than \$1.5 million each, but this was just a small part of the overall cost needed to operate, maintain, and manage such a large jamming network. A single transmitter used by RFA may attract a dozen small local jammers and one or two larger jammers working against it. The jamming often consists of Chinese funeral music, which incorporates the harsh sounds of Chinese horns, drums, and gongs—and sends Chinese listeners scrambling to change the frequency.⁴⁴

BBG has confronted the Chinese government about this issue on more than one occasion, as have the U.S. Ambassador to China and other U.S. government officials.⁴⁵ According to RFA's Mr. Southerland, when Beijing is questioned about its illegal jamming practices the response typically is either denial or professed incompetence. "The Chinese simply answer ... we've got a lot of channels now. Maybe there's some overlap. We don't really jam."⁴⁶ Mr. Ken Berman, Director of Information Technology for the IBB, testified before the Commission that the IBB "regularly file[s] protests through the FCC and [the] Department of Commerce to the ITU, but [China's response is,] 'It was just an accident, didn't mean to do that, it's a big country, who can control this stuff?' It doesn't resonate [with them]. They don't seem to take it seriously."⁴⁷

Because of these unique challenges, BBG and its broadcasting organizations have worked hard to circumvent Chinese censorship and reach their Chinese listeners using alternative methods. Both VOA and RFA shift their frequencies regularly to avoid Chinese jamming and regularly build mirrors of their official websites to avoid being blocked by China's "Great Firewall." Mr. Berman explains: "We send out millions of e-mails every day for the Voice of America Mandarin Service and Radio Free Asia Mandarin Service. Within those e-mails are texts that are produced by the journalists from the two organizations, VOA and RFA. More important, though, we put [in] a proxy link."^{48 49} VOA's and RFA's ultimate goal is not just to bring listeners from China to their websites, but also to provide a "web-portal" as an alternate route to Internet sites to which the Chinese government has blocked access.⁵⁰ To enable people in China to hear their broadcasts and access their web pages, RFA and VOA constantly must change their broadcast frequencies and web addresses.

During the Commission's hearing on July 31, witnesses noted that despite China's censorship of U.S. broadcasts and Internet material, the United States allows Chinese state-controlled media franchises to distribute and broadcast their programming freely in the United States. China Central Television (CCTV), state-controlled news giant *Xinhua News Agency*, radio giant China Radio International (CRI), and many other Chinese government media are not denied access to the U.S. market. Mr. Baum argues that the United States "must insist on reciprocity just like we would in any trade issue."⁵¹

U.S. Corporate Involvement

The involvement of U.S. information technology firms in China's censorship activities has been and continues to be contentious. Dr. Esarey told the Commission that the most advanced and sophisticated censorship technologies used in China are developed in Silicon Valley and that most of China's purchases of such technologies are from the United States.⁵² Internet search providers Google, Yahoo, and Microsoft have cooperated with Chinese authorities on censorship, and Yahoo has handed over personal information on its users to Chinese security services.⁵³ Hardware manufacturers also have faced criticism. Cisco Systems has been accused of selling sophisticated equipment to the Chinese government that has enhanced the PRCs ability to censor information online. Dr. James Mulvenon, Deputy Director at the Defense Group Inc., testified to the Commission in 2005 that while Cisco has sold the Chinese government routing equipment, the firm does not custom engineer its products to meet the specific needs of Chinese censors.

U.S. Corporate Responses to Contentious Chinese Business Practices

Yahoo: Responding to allegations that Yahoo filters the content of its search results in China, Yahoo's Senior Vice President and General Counsel Michael Callahan testified before Congress in 2006 that "where [China's] government requests that we restrict search results, we will do so if required by applicable laws and only in a way that impacts the results as narrowly as possible. If we are required to restrict search results, we will strive to achieve maximum transparency to the user."⁵⁴ When questioned about Yahoo releasing information on its Chinese users to Chinese authorities, who then use it to prosecute Chinese dissidents, Mr. Callahan acknowledged that Yahoo and its Chinese partner Alibaba.com are not able to protect the privacy and confidentiality of their Chinese users from the PRC government.

Microsoft: Microsoft has been accused of filtering both the content of its search results to Chinese users, and the content of blogs that the company hosts in China. Mr. Jack Krumholtz, Managing Director of Federal Government Affairs and Associate General Counsel for Microsoft, testified before Congress in 2006 that "Microsoft is deeply troubled by the restrictive regulations we operate under in China. We comply with them only to the extent required by law. However, to suggest that we can resist or defy these regulations assumes a much different reality than the one we deal with in China on a regular basis."⁵⁵

Google: During a 2006 Congressional hearing, Google's Vice President for Corporate Communications and Public Affairs Elliot Schrage testified that Google censors its search results in China. "We are not happy about it, but that is the requirement ... we provide disclosure [to Chinese users] when we are filtering ... politically sensitive search requests."⁵⁶ He also testified that Google does not provide the email and blogging services that

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Yahoo and Microsoft do because Google is unwilling to comply with the PRC laws governing their management.⁵⁷

Cisco: In response to accusations that Cisco Systems is facilitating China's Internet censorship by providing sophisticated firewall equipment to the agencies that filter online content, Cisco's Director of Asian Public Relations, Terry Alberstein, stated that "Cisco Systems does not participate in the censorship of information by governments," that "it is our users, not Cisco, that determine the applications that they deploy," and that "networking products from Cisco and our competitors are not covered by" laws that prohibit selling them to foreign governments.⁵⁸

Recent developments have put pressure on American firms that aid censorship in China. The Office of the Comptroller of New York City, which held 486,617 shares of Google's Class A stock, led a minority of Google shareholders to force a vote to end Google's censorship practices in China.⁵⁹ At the urging of the company's co-founders Messrs. Larry Page and Sergey Brin, the proposal was defeated.

Yahoo also has faced new challenges. Earlier this year the wife of Chinese political prisoner Mr. Wang Xiaoning, who currently is serving a ten-year prison sentence in China for distributing articles advocating democracy using his Yahoo email account, filed a civil suit against Yahoo in the U.S. district court for the Northern District of California under the Alien Tort Claims Act and the Torture Victims Protection Act. The suit alleges that Yahoo played a role in the arrest and torture of her husband by releasing his personal information to the Chinese government.⁶⁰ Mr. Wang's prosecutors reportedly thanked Yahoo for its cooperation during his trial.⁶¹ As of the date of this Report's publication, no verdict has been reached in the civil suit.

In January 2007, F&C Asset Management, an investment firm based in the United Kingdom, "gave a public 'warning' to technology, media and telecoms companies to rethink 'tough issues' such as setting up shop in China while toeing Beijing's line on censorship."⁶² In an F&C report entitled *Managing Access, Security & Privacy in the Global Digital Economy*, the company warned that "as a long-term investor in [technology, media, and telecommunications] companies, [we] will look for evidence they are taking the necessary steps to avoid the pitfalls of regulatory clampdowns, penalties, and public relations disasters."⁶³ Other financial firms have made similar statements.⁶⁴

Such scrutiny and criticism appear to be encouraging computer technology firms to reassess their activities that may be used to support China's censorship. In January 2007, a consortium of U.S. technology firms and human rights organizations was formed to discuss the establishment of an international code of ethics on issues related to privacy and censorship—with the intention of completing a code by the end of 2007. At the time this report was published, no evidence of progress in this effort has been made available by the participants.

China's Worldwide Perception Management

Beijing is engaged in a worldwide perception management campaign, according to Dr. Derek Reveron, a professor at the U.S. Naval War College.⁶⁵ While all nations have to be concerned about international opinion and engage to one extent or another in efforts to influence opinions, China's perception management campaign is unique in that the Chinese Communist Party maintains tight political and media controls to influence opinion domestically and is seeking to use similar tactics to influence foreign populations.

China's state news service, *Xinhua*, is the primary Chinese domestic news service. It also is available in Chinese and English to anyone with Internet access, and is carried alongside AP and Reuters as an international news feed in some locations.⁶⁶ *Xinhua* purports to supply fact-based journalism. Yet, as Ms. He Qinglian noted in her testimony before the Commission, the *Xinhua News Agency* is, in fact, a propaganda outlet for the CCP:

*News reports from the official Xinhua News Agency carefully select materials favoring China but ignore all the news the government dislikes. For example, in recent years, the Chinese media repeatedly reported the success of the development of friendship and trust with Russia and African countries, but when Russia implements policies against Chinese immigrants or people of St. Petersburg opposed a plan to build a new Chinatown in the city, such news is purposely excluded. The same situation can be found in China's news reporting about the Sino-African relationship. ... [T]he news about how African people perceive China as a neocolonialist today and how China's government buys votes from African governments in U.N. organizations to defend its human rights record doesn't exist at all.*⁶⁷

Chinese leaders are seeking an international reputation that is benign if not benevolent, and are using every available state resource to convey their message.⁶⁸ Party news outlets such as *Xinhua* are used in a carefully planned and executed perception management campaign that is directed not only at domestic audiences but also at foreign populations. While the ability of China's leaders to control information in the media enables their perception management efforts to be effective, it also makes those efforts fundamentally different than the conventional diplomatic strategies of other countries whose media are not constrained or controlled in this manner.

China has worked diligently over the last two decades, as Dr. Reveron stated, "to promote a non-aggressive image of itself through a policy of non-interference, outreach to foreign publics and governments through public works projects, participation in the international system, and comparisons to the United States which it characterizes as a hegemon on the offensive."⁶⁹ This is in keeping with a foreign policy statement made by Party Chairman Deng Xiaoping in 1991 when he enunciated that China should, "Observe calmly; secure our position; cope with affairs calmly; hide our capacities and bide our time; be good at maintaining a low profile; never claim leadership."⁷⁰

Case Study: 2001 EP-3 Incident

Dr. Reveron testified to the Commission that, in times of crisis, China has sought to manipulate information flows in order to portray itself in a positive light or as the victim of U.S. aggression. He illustrated his point by recounting China's response to the incident when a Chinese fighter collided with a much slower and less maneuverable U.S. EP-3 reconnaissance aircraft flying in international airspace in April 2001. The damaged EP-3 was forced to make an emergency landing at the nearest location, China's Hainan Island. By holding the crew in isolation for the first three days and monopolizing the flow of information, PRC officials were able to charge that the U.S. had violated China's airspace and therefore its sovereignty. China portrayed the United States as the aggressor in the crisis.⁷¹

Initially, U.S. press reports were critical of the Chinese pilot who caused the collision and sympathetic to the crew of the EP-3 that was forced to make an emergency landing. *Xinhua* did not cover the story for the first two days after the incident, causing an information blackout while the Chinese leadership was formulating its strategy.⁷² However, once *Xinhua* began to print articles that referred to the EP-3 as a "spy plane," criticized the U.S. as a hegemon, and focused attention on the alleged violation of Chinese sovereignty, some American media outlets used some of *Xinhua*'s rhetoric in their stories about the incident.⁷³ Some U.S. news outlets began referring to the downed American aircraft, which was clearly marked "U.S. Navy," as a spy plane, although it was flying in international airspace along a frequently-flown route following a publicly-available flight plan and performing overt reconnaissance missions to which Chinese officials previously had not objected.⁷⁴

Even the *New York Times* printed articles describing the aircraft in the way *Xinhua* had mischaracterized it.⁷⁵ The accounts published or aired by many U.S. and other Western media adopted China's angle: a story about U.S. hegemony and spying, rather than a story about an aggressive Chinese fighter pilot who caused a collision in international airspace that risked the lives of 24 American personnel, and about China's holding those men and women captive for 10 days.⁷⁶

Perception management in this case appears to have been effective for China. Months after the incident, in November 2001, in an article about unmanned aerial vehicles targeting Osama Bin Laden's camps in Afghanistan, *The Wall Street Journal* noted, "The White House and the State Department, still raw after the downing of the U.S. spy plane over China, feared international repercussions if one of the armed drones crashed or was otherwise discovered."⁷⁷

Case Study: 2001 EP-3 Incident—Continued

China's successful manipulation and control of information in this case created a lasting misperception of the EP-3 incident that was sufficiently strong to affect future U.S. policy. Dr. Reveron described the case as noteworthy:

The New York Times and other media outlets were simply unwitting participants in the process because Xinhua was the only press agency that had any information. ... [I]n the 2001 case, there was no alternative coverage. It was perfect again from China's perspective because it was a very isolated part of China. There were no Western media reporters there. Even U.S. access was very restricted for the first three days. And so China, I think, very effectively controlled what the facts were and they shifted from what was clearly an accident likely caused by aggressive behavior by a fighter pilot, relative to the EP-3. But, they very quickly changed what was an accident into a violation of Chinese sovereignty. They raised all the other issues in terms of why is the United States even conducting reconnaissance flights in international airspace, and they very effectively controlled the story. I would say in the global media age, an outlet like Xinhua is readily readable and read simply because people rely on things like Google news service and so on, and it's [treated] almost like a wire service in that sense.⁷⁸

According to a recent report by Dr. Anne-Marie Brady at the University of Canterbury in New Zealand, the CCP has divided its propaganda work into two categories: internal (for which the CPD holds primary responsibility) and external (for which the Office of Foreign Propaganda [OFP] holds principal responsibility). Dr. Brady found that both these "highly secret" organizations are very closely linked and coordinated.⁷⁹ The OFP is supervised by the Foreign Propaganda Leading Small Group, consisting of a handful of senior CCP leaders led by Mr. Cai Wu, who also heads the State Council Information Office.⁸⁰

In her report, Dr. Brady lists China's guidelines for propaganda. They include (1) issue no bad news during holidays or on other sensitive dates, (2) demonize the United States, (3) do not promote the views of the enemy, and (4) use international news to mold public opinion on issues relating to China. She goes on to explain the guideline pertaining to use of international media:

Selective reporting on international news has proven to be a very effective means of molding public opinion on issues relating to China. Hence, throughout the 1990s, the Chinese media gave detailed coverage of the problems of post-communist societies, while ignoring success stories. Such stories helped to mold public opinion on the likely outcome if China [were] to become a multi-party state. Similarly, China reported factually, but without comment, on the difficulties North Korea faced throughout the 1990s and early 2000s. This served as a caution to those on the left who were critical of China's market-oriented reforms.

During the lead-up to the Iraq War the Chinese media [were] instructed by the Central Propaganda Department to bring the thinking of the Chinese people in line with that of the party centre, which held the view of opposition to the U.S. invasion. Coverage of the war was used as a means to attack the U.S. government's position on human rights and other sensitive topics. Reporting on the war was strictly controlled; only officially designated Chinese journalists were permitted to travel to Iraq to report the war.⁸¹

The way in which China reported—or failed to report—information about the development of Sudden Acute Respiratory Syndrome (SARS) and what steps the PRC government was taking in response provides an excellent example of the application of the propaganda rules. SARS first appeared in November 2002, just prior to the Chinese New Year, but there was no media coverage until April 2003, after the holiday season had ended.⁸² When coverage was permitted, it was carefully crafted. Dr. Brady explains how the coverage attempted to manipulate both domestic and foreign media coverage:

When the signal was finally given in April 2003 that SARS could be discussed in the Chinese media, the propaganda system went into full swing, advising the population on how to avoid the disease and the means which the government was employing to bring the situation under control. Editors were instructed to “guide public opinion” (meaning focus on positive stories) on the topic. They were told to pay attention to SARS-related stories of interest to international public opinion as well as the concerns of people in China. Great effort was put into targeted foreign propaganda on the topic of SARS, to eradicate the impact of negative reporting on this topic by the foreign media.⁸³

Information About the Safety of Food and Other Products Produced in China

A recurrent theme in international headlines during 2007 has been the problem of unsafe food and consumer goods manufactured in China and either consumed there or exported to other countries including the United States. Contaminated pet food, toothpaste with toxic ingredients, toys painted with lead-based paint, exploding cell phone batteries, and seafood covered in paraffin wax and colored with industrial dyes have been among the unsafe goods that have made their way from China to the United States in the past year. In a recent Congressional hearing on Chinese food imports, Mr. David Nelson, Senior Investigator for the House Committee on Energy and Commerce, said that “the Chinese government appears determined to avoid embarrassing food safety outbreaks in export markets due to the damaging and potentially lasting effect this would have on the ‘Made in China’ branding.”⁸⁴

China finds it a daunting task to adequately oversee and regulate between 450,000 to one million food producers (most of them rural firms with fewer than ten employees). This difficulty is compounded because a constellation of ten different government agen-

cies divides authority and responsibility for food safety. Media controls and information restrictions, however, also have played a significant role in China's food and product safety problems. In a democracy, the media act as an independent watchdog. Where the media are able to play this role, if a product has a design flaw, or a manufacturer is using an inferior ingredient, a whistleblower can report the problem to the media, and there is a significant possibility the matter will be aired and public opinion will force the manufacturer to address the problem. Dr. Oded Shenkar, a business professor at Ohio State University, believes that because the media in China are not independent from the government, this mechanism generally is unavailable there. "There is a direct [relationship] between the tight control of information in China and the ability to identify, monitor, and correct the defective product phenomenon."⁸⁵

There frequently are additional factors at work in China that reduce the likelihood such problems will be exposed by the media. Dr. Shenkar writes that:

(1) "in an authoritarian environment where information is tightly controlled, people are less likely to complain since they have little hope their complaint will be acted upon,"⁸⁶ (2) "where access to information is closely guarded, it is difficult for even government officials to collect and analyze relevant information and thus become aware of a problem,"⁸⁷ (3) "given a culture of information filtering and unaccountability, producers are unlikely to collect data from consumers that would point to a problem,"⁸⁸ and (4) "given information control and the nature of government in China, different sections of the government filter information and block its passage from [one to the] other in an effort to look good and preempt damaging information from reaching other government agencies and rival political factions. This is especially true for local governments [that] also have a stake in protecting infringing enterprises under their jurisdiction so as to protect employment, and as a colluding step to assist enterprises [in which] the local government might be invested."⁸⁹

Even when financial interests are not a factor, political interests may be. Beijing on numerous occasions has suppressed news that the CCP or the government's leadership believes might harm China's international image. When the government is forced to acknowledge a problem, in many cases its various components have made conflicting announcements. For example, in late July 2007, in response to questions and challenges by international media on the surge in unsafe Chinese exports, "Beijing officials [insisted] that 99 percent of the goods China exports meet quality standards and that the foreign media [are] exaggerating the extent of the problem."⁹⁰ But previously, on July 4, the Chinese government had said that "nearly a fifth of the food and consumer products that it checked in a nationwide survey this year were found to be substandard or tainted, underscoring the risk faced by its own consumers even as the country's exports were coming under greater scrutiny overseas."⁹¹ To some extent this is a function of a break-

down in the government's effort to "spin" an unfavorable and potentially destructive issue—something with which the United States is not unfamiliar. But there also have been restrictions imposed on media pursuit of facts and information in these cases—by both domestic and international media—and on what information they have been able to obtain that China's media may publicize. Some U.S.-based journalists have been refused permission to travel to or within China to gather information for stories on food and product safety issues.

Less obvious forms of information controls have compounded these problems. Because of the opacity of China's food and product regulation process and the unwillingness of the regulatory agencies to communicate or cooperate meaningfully with their U.S. counterparts, the U.S. government has little choice but to warn its population that all Chinese imports may be suspect. Dr. Scott Gottlieb, a Resident Fellow at the American Enterprise Institute and a former senior official at the U.S. Food and Drug Administration (FDA), testified before the Commission that because "we don't know who the violators in China are ... it's very difficult for us to take a risk-based approach in inspecting imports."⁹² No government has the ability to inspect every food and product shipment arriving at its ports for safety and regulatory compliance; it instead needs to cooperate with transparent foreign agencies to ensure uniformity in domestic production standards. Mr. Drew Thompson, Director of China Studies and Starr Senior Fellow at The Nixon Center, agrees: "This is particularly vital in sectors where inadequate transparency threatens U.S. national interests—such as public health, the environment, and food safety."⁹³

These problems with regulatory cooperation have taken on other forms as well. Following the import of Chinese pet food that contained lethal levels of contaminants, the U.S. government asked Beijing for permission to carry out an inspection of the suspect Chinese manufacturing facilities. Dr. Gottlieb testified that "I don't know what's publicly known with respect to the difficulty the FDA had on [this] case. It is, I think, a matter of public record that the FDA did have problems getting in immediately after that, getting access to some of the manufacturing facilities, and it took some high level help to get our inspectors over there."⁹⁴ And even when the inspectors eventually obtained visas to enter China, they had "difficulty getting access to both the facilities and the information needed to conduct their own inspections."⁹⁵ In fact, by the time FDA personnel were able to travel to at least one of these facilities, it already had been destroyed by bulldozers.

The information controls and regulatory opacity prevalent in China make it difficult or impossible for both government health and safety officials and consumers, whether in China or elsewhere, to understand the scope, particular features, and gravity of a problem that originates in China. This, in turn, compounds the challenge authorities face as they try to limit the exposure of their citizens to the problem. When the pervasiveness or frequency of a particular problem suggests a systemic failure that may require a large-scale response by other nations, the impediments to their obtaining timely and accurate information posed by China's informa-

tion controls make a challenging task significantly more challenging.

Information on Public Health and Infectious Disease Outbreaks

Attempts by the Chinese government to control information it deems embarrassing have had profound effects on international attempts to control infectious diseases. In an effort to maintain public confidence in Beijing's leadership, China's central government has continued to suppress reports on the outbreak of diseases and other public health emergencies. Indeed, the Chinese National People's Congress is reviewing a proposed "Law on Responding to Sudden Incidents" to codify long-standing policies prohibiting foreign and domestic media from reporting on specified issues, including the outbreak of disease.⁹⁶

Beijing is continuing to pursue its policy of silence despite the consequences of previous attempts to suppress public notice during the outbreak of SARS in 2003 and Avian Flu (H5N1) in 2004. Most recently, the government has been reluctant to acknowledge the outbreak of an unidentified swine virus that has been sweeping through China's pig population. The Chinese government officially claims that only 68,000 pigs have died from the virus, but this statistic is widely greeted with great skepticism. The Chinese government has banned local journalists from visiting affected areas, insisting instead "that newspapers use dispatches from the state news agency."⁹⁷ Reports also have accused the Chinese government of refusing to share tissue samples of infected pigs with the international community.⁹⁸ Of great concern around the world is that the disease's propensity—and method—for spreading, and, in particular, for afflicting humans, also are unknown.

The Commission has addressed issues of this kind in the past. In a 2003 hearing on the outbreak of SARS, Commission witnesses described Beijing's use of information controls to suppress public notice of the serious disease. Between November 2002, when the epidemic began, and April 2003, when China's President Hu acknowledged the problem and pledged to address it more transparently, Chinese media were forbidden to report on anything but official pronouncements on the outbreak. Chinese Internet filters were created to suppress online content related to SARS.⁹⁹ Beijing's initial unwillingness to openly discuss the disease, and its refusal to meaningfully cooperate with international health organizations, produced an international outcry, especially when the disease began spreading outside China. Eventually Beijing realized the need to confront the epidemic directly and publicly and apologized for mishandling the incident; officials also promised not to repeat the mistakes and to deal with any future disease outbreaks transparently and in keeping with international norms. Subsequent actions by the Chinese leadership raise considerable doubts about this pledge.

The first test of Beijing's promise came almost immediately after the central government began acknowledging what occurred during the SARS epidemic. Avian Flu (H5N1) outbreaks in East Asian countries had been regularly reported in the region prior to and

during the SARS outbreak (although they had not been reported by Chinese authorities). China's Ministry of Agriculture reported no outbreaks of H5N1 until April 2004, and then only when other nations in the region began reporting a surge in the disease. The PRC again refused to cooperate usefully with international health authorities. Ms. Erika Elvander, an International Health Officer with the U.S. Department of Health and Human Services, recounted such an incident recently: "When wild birds began dying in Qinghai in April 2005, the [Chinese] Ministry of Agriculture delayed allowing international scientists and observers into the actual areas where the deaths had occurred."¹⁰⁰ Similar incidents had occurred during the SARS epidemic. In its 2005 report to Congress, the Congressional-Executive Commission on China found that "Chinese government control over the flow of information has hampered international efforts to combat the spread of the H5N1 avian flu virus."¹⁰¹

Conclusions

- Over the decades China has built one of the world's most effective information control systems. The Chinese government controls the content of newspapers, magazines, television, radio, and the Internet. Chinese journalists have been demoted, fired, imprisoned and beaten for violating restrictions on media content. Internet users face similar restrictions and violators may be imprisoned.
- China censors information and communications pertaining to some broad issues like democracy, human rights, and the Falun Gong as well as to more subtle issues related to domestic current affairs and political developments. Strict penalties for addressing forbidden topics, and the uncertainties of where the fine lines fall at any moment, have created an environment of strict self-censorship among Chinese journalists. These self-imposed restrictions effectively stifle information Beijing deems undesirable.
- China's information controls are designed to perpetuate the existence of the Chinese political structure and the Chinese Communist Party's control of the nation, and also to maintain a stable environment for China's new "rising power class," the primary beneficiaries of the developing two-tiered society who are seeking to maintain their favored status.
- Through its media control regime, the Chinese government has been able to manipulate and influence the perspectives of many Chinese citizens. While the majority of the Chinese people understand that the information provided by Chinese state-owned media organizations may not be free of censorship and propaganda, they have little choice but to rely on it when forming their opinions about the outside world. Beijing has used this capacity to create deep feelings of nationalism inside China and can use it to incite strong anti-foreigner sentiments among the Chinese people when it wishes to do so.
- The strong nationalism Beijing has fostered may constrain its options to respond to international incidents. This could result in

exacerbating tensions in a sensitive situation and turning a misunderstanding into a conflict. The media organizations supervised by the U.S. Broadcasting Board of Governors struggle in the face of Chinese censorship to provide accurate news and information to the people of China through radio and television broadcasts and the Internet. In violation of international laws the Chinese government successfully jams or blocks access to many of these broadcasts and Internet messages and content.

- Some U.S. technology firms have cooperated with and contributed to the Chinese government's censorship and propaganda systems by supplying hardware and software. In some but not all these cases, their cooperation may be a Chinese legal requirement.
- Chinese leaders are seeking an international reputation that is benign if not benevolent, and are using every available state resource in their effort. Chinese Communist Party news outlets such as *Xinhua* are employed in a concerted perception management campaign that is directed not only at domestic audiences but also at foreign populations.
- China's control and manipulation of information make it difficult or impossible for officials responsible for food and product safety in the United States and other nations to identify potential safety problems in Chinese imports on a timely basis and intervene to protect the health and safety of consumers.